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LEGISLATIVE HISTORY

Public Law 305—82nd Congress

Chapter 169—2nd Session

S. 2085

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DIGEST OF PUBLIC LAW 305

AN ACT: To further amend section 5136 of the Revised Statutes, as amended, with respect to underwriting and dealing in securities issued by the Central Bank for Cooperatives. The Act enables national banks and State member banks of the Federal Reserve System to receive compensation for distribution of debentures issued by the Central Bank for Cooperatives.

INDEX AND SUMMARY OF S. 2085

August 30, 1951	Senate Banking and Currency Committee reported an original bill, as introduced by Senator Maybank. (S. Rept. 724). Print of bill as reported.
October 1, 1951	Senate passed S. 2085 without amendment.
October 4, 1951	S. 2085 referred to House Banking and Currency Committee. Print of bill as referred.
March 18, 1952	House Committee on Banking and Currency voted to report (but did not actually report) S. 2085.
March 20, 1951	House Committee reported S. 2085 without amendment. (H. Rept. 1617). Print of bill as reported.
March 31, 1951	House passed S. 2085 without amendment.
April 9, 1951	Approved: Public Law 305 - 82nd Congress



Calendar No. 684

82D CONGRESS }
1st Session }

SENATE

{ REPORT
No. 724

AMENDING SECTION 5136 OF THE REVISED STATUTES, AS AMENDED, WITH RESPECT TO UNDERWRITING AND DEALING IN SECURITIES ISSUED BY THE CENTRAL BANK FOR COOPERATIVES

AUGUST 30 (legislative day, AUGUST 27), 1951—Ordered to be printed

Mr. MAYBANK, from the Committee on Banking and Currency, submitted the following

R E P O R T

[To accompany S. 2085]

The Committee on Banking and Currency, having considered a bill to further amend section 5136 of the Revised Statutes, as amended, with respect to underwriting and dealing in securities issued by the Central Bank for Cooperatives, report favorably a committee bill (S. 2085) and recommend that the bill do pass.

GENERAL STATEMENT

The purpose of this bill is to enable national banks and State member banks of the Federal Reserve System to receive compensation in the distribution of debentures issued by the Central Bank for Cooperatives.

At present national banks and State member banks can and do receive commissions from the issuers in connection with their participation in sales of Federal land bank bonds and Federal intermediate credit bank debentures, whether the purchases are made for their own account or for the account of customers. This is because securities of the Federal land banks and Federal intermediate credit banks are exempted by 12 U. S. C. 24 from the restrictions imposed by that section, and are likewise not subject to the requirements of the Investment Securities Regulation (12 C. F. R. 1.1-1.3) promulgated by the Comptroller of the Currency pursuant to 12 U. S. C. 24. The absence of a similar exemption for debentures of the Central Bank for Cooperatives has been construed as prohibiting national banks and State member banks from accepting such commissions with respect to Central Bank debentures purchased for the account of customers.

Accordingly, the Central Bank for Cooperatives, which made its first offering of debentures last year, has found itself in a less favorable position with respect to the marketing of its securities than the other Farm Credit institutions mentioned above.

The committee is informed by the Department of Agriculture that their experience in offerings of bonds of the Federal land banks and debentures of the Federal intermediate credit banks has demonstrated that substantial portions of all subscriptions have come from national banks and State member banks on behalf of their customers. The Department points out that it is essential, therefore, to have the assistance and cooperation of national banks and State member banks in the sale of Central Bank debentures in order to market successfully these securities. The Department feels that it is highly important that, before the next offering of Central Bank debentures, this group of institutions be placed in the same position with respect to commissions on sales of such debentures as they are in respect to commissions on sales of bonds and debentures of the Federal land banks and the Federal intermediate credit banks.

The committee is informed that the commissions paid in connection with the sale of bonds and debentures by institutions of the Farm Credit Administration are relatively small. On the initial issue of debentures sold by the Central Bank for Cooperatives, to all dealers who were permitted to accept a commission, the commission amounted to \$1.50 per \$1,000 of debentures sold or 0.05 percent per annum since the debentures were of 3-year term. The Treasury Department is consulted in connection with contemplated offerings of securities by institutions of the Farm Credit Administration, the consultation covering, among other things, the term of the issue, the interest rate, the offering price, and the commission to be paid for the distribution of the securities.

The legislation has been considered by the Treasury Department, the Board of Governors of the Federal Reserve System, and the Bureau of the Budget. None of these agencies have any objection to the amendment.

CHANGES IN EXISTING LAW IN COMPLIANCE WITH THE CORDON RULE

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

LAST SENTENCE OF PARAGRAPH 7 OF SECTION 5136 OF THE REVISED STATUTES, AS AMENDED (12 U. S. C. 24)

The limitations and restrictions herein contained as to dealing in and underwriting investment securities shall not apply to obligations issued by the International Bank for Reconstruction and Development or the Central Bank for Cooperatives which are at the time eligible for purchase by a national bank for its own account: *Provided*, That no association shall at any one time hold obligations issued by [said bank] either of said banks as a result of underwriting, dealing, or purchasing for its own account (and for this purpose obligations as to which it is under commitment shall be deemed to be held by it) in a total amount, with respect to each issuer, exceeding [at any one time] 10 per centum of its capital stock actually paid in and unimpaired and 10 per centum of its unimpaired surplus fund.



Calendar No. 684

82d CONGRESS
1st SESSION

S. 2085

[Report No. 724]

IN THE SENATE OF THE UNITED STATES

AUGUST 30 (legislative day, AUGUST 27), 1951

Mr. MAYBANK, from the Committee on Banking and Currency, reported the following bill; which was read twice and placed on the calendar

A BILL

To further amend section 5136 of the Revised Statutes, as amended, with respect to underwriting and dealing in securities issued by the Central Bank for Cooperatives.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the last sentence of paragraph seventh of section 5136
4 of the Revised Statutes, as amended (12 U. S. C. 24), is
5 hereby amended by inserting “or the Central Bank for
6 Cooperatives” after the word “Development”; by inserting
7 “either of said banks” in lieu of the words “said bank”;
8 by inserting “at any one time” after the words “no associa-
9 tion shall”; by deleting “at any one time” after the word
10 “exceeding”; and by inserting “, with respect to each issuer,”

1 after the word "amount"; so that said sentence shall read
2 as follows: "The limitations and restrictions herein contained
3 as to dealing in and underwriting investment securities shall
4 not apply to obligations issued by the International Bank
5 for Reconstruction and Development or the Central Bank for
6 Cooperatives which are at the time eligible for purchase
7 by a national bank for its own account: *Provided*, That no
8 association shall at any one time hold obligations issued by
9 either of said banks as a result of underwriting, dealing, or
10 purchasing for its own account (and for this purpose obliga-
11 tions as to which it is under commitment shall be deemed
12 to be held by it) in a total amount, with respect to each
13 issuer, exceeding 10 per centum of its capital stock actually
14 paid in and unimpaired and 10 per centum of its unimpaired
15 surplus fund."

82d CONGRESS
1st SESSION

S. 2085

[Report No. 724]

A BILL

To further amend section 5136 of the Revised Statutes, as amended, with respect to underwriting and dealing in securities issued by the Central Bank for Cooperatives.

By Mr. MAYBANK

AUGUST 30 (legislative day, AUGUST 27), 1951

Read twice and placed on the calendar

DIGEST OF
CONGRESSIONAL PROCEEDINGS

OFFICE OF BUDGET AND FINANCE
(For Department staff only)

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued August 31, 1951
For actions of August 30, 1951
82nd-1st No. 161

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HIGHLIGHTS: Senate debated foreign-aid bill. Senate committee reported bill to amend law re securities issued by Central Bank for Cooperatives.

SENATE

1. FOREIGN AID. Continued debate on H. R. 5113, to authorize military, economic, and technical assistance to foreign countries, reaching agreement to begin voting on amendments to the bill today, Aug. 31, with a limitation on debate (pp. 11011-11089).
The Foreign Relations Committee reported an original bill, S. 2079, to authorize the contribution of \$12,000,000 to the United Nations International Children's Emergency Fund (S. Rept. 723) (p. 11010).
2. FARM LOANS. The Banking and Currency Committee reported an original bill, S. 2085, to further amend section 5136 of the Revised Statutes, as amended, with respect to underwriting and dealing in securities issued by the Central Bank for Cooperatives (S. Rept. 724) (p. 11010).
3. APPROPRIATIONS. Received from the President a proposed provision pertaining to appropriations for fiscal year 1951, for emergency agencies; to Appropriations Committee (S. Doc. 65) (pp. 11009-10).
4. TAXATION. The "Daily Digest" states that the Finance Committee continued its consideration of H. R. 4473, the 1951 tax-revision bill, and took the following actions:
(1) Agreed that all excise-tax rate increases provided by the bill will expire on Dec. 31, 1953.
(2) Agreed to House provisions in the bill increasing excise taxes on alcoholic beverages; cigarettes; gasoline, and passenger automobiles, trucks, and automotive parts.
(3) Adopted House provisions on rubber tires, appliances, diesel fuel, and on repealing the tax on electrical energy.
(4) Adopted an amendment decreasing excise tax on plug and twist tobacco from 16 to 10 cents a pound.
(5) Agreed to other changes regarding sporting goods, fountain pens and mechanical pencils, and refrigerators. (p. D808.)

BILLS INTRODUCED

5. PERSONNEL. S. 2076, by Sen. Johnston, to provide for the appointment of apprentices in the Government service through competitive examination; to Post Office and Civil Service Committee (p. 11010).
S. 2077, by Sen. Johnston, to provide for certain investigations by the Civil Service Commission in lieu of the Federal Bureau of Investigation; to Post Office and Civil Service Committee (p. 11010).
6. OLEOMARGARINE. S. 2083, by Sen. Fulbright, to amend the Navy ration statute so as to provide for the serving of oleomargarine or margarine; to Armed Services Committee (p. 11010).

ITEMS IN APPENDIX

7. RESEARCH LANDS. Sen. Aiken inserted a Washington Star editorial favoring the transfer of the Morgan Horse Farm, Vermont, from USDA to the University of Vermont for the continuation of research in horse breeding and other agricultural matters (p. A5716).
8. ELECTRIFICATION. Sen. Lehman inserted his statement before the S. Public Works Committee urging passage of his bill, S. 517, to provide for the development of electric power at Niagara Falls (pp. A5704-8).
9. INDUSTRIAL DISPERSAL. Sen. Martin inserted a Bridgeport (Conn.) Post editorial opposing the President's plan for dispersal of industry (pp. A5714-5).
10. FOREIGN AID. Sen. Wiley inserted American Zionist Council and American Christian Palestine Committee correspondence urging aid to Israel (pp. A5708-10).
Speech in the House by Rep. Rankin, Miss., favoring the curtailment of our foreign-aid to provide funds for the development of domestic projects (p. A5714).

BILLS APPROVED BY THE PRESIDENT

11. APPROPRIATIONS. H. J. Res. 320, continuing through September 30, 1951 the act making temporary appropriations pending enactment of the regular appropriations bills. Approved Aug. 29, 1951 (Public Law 132, 82nd Cong.).
12. PERSONNEL. H. R. 1199, which authorizes the moving of dependents and household and personal effects of persons in active Government service reported as missing. Approved Aug. 29, 1951 (Public Law 131, 82nd Cong.).

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COMMITTEE HEARINGS ANNOUNCEMENTS for Aug. 31: S. Appropriations, supplemental appropriations (ex.); S. Banking and Currency, price-control and other amendments to Defense Production Act (McCormick, USDA, and Johnston, ESA, to testify); S. Finance, 1951 tax bill (ex.); and S. Public Works, defense access roads (Granger and Dean, FS, to testify).

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For supplemental information and copies of legislative material referred to, call Ext. 4654 or send to Room 105, Adm.



United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 82^d CONGRESS, FIRST SESSION

Vol. 97

WASHINGTON, THURSDAY, AUGUST 30, 1951

No. 161

House of Representatives

The House was not in session today. Its next meeting will be held on Wednesday, September 12, 1951, at 12 o'clock noon.

Senate

THURSDAY, AUGUST 30, 1951

(Legislative day of Monday, August 27, 1951)

~~The Senate met at 12 o'clock meridian, on the expiration of the recess.~~

~~Rev. Idris W. Jones, associate minister, Calvary Baptist Church, Washington, D. C., offered the following prayer:~~

~~Our Father and our God, we would lift into Thy presence the Members of this body whose decisions affect the destiny of so many. Keep them true to the noblest insights they have learned from Thee through life and experience.~~

~~We all need Thy guidance, our Father. May we so plan, speak, and act that when we come to the close of this day, in the quiet of our rooms, each of us may sense the word of the Lord, "Well done, good and faithful servant." This is our prayer for this day. Through Jesus Christ our Lord. Amen.~~

THE JOURNAL

On request of Mr. McFARLAND, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, August 29, 1951, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolution:

On August 23, 1951:

S. 674. An act for the relief of Arthur Koestler.

(The above act became law without the President's signature.)

On August 28, 1951:

S. 61. An act for the relief of Sister Carmen Teva Ramos;

S. 248. An act authorizing the President of the United States to issue a proclamation designating 1951 as Audubon Centennial Year;

S. 289. An act for the relief of Arno Edwin Kolm;

S. 630. An act to suspend until August 15, 1951, the application of certain Federal laws with respect to an attorney employed by the Senate Committee on Labor and Public Welfare;

S. 1214. An act to authorize and direct conveyance of a certain tract of land in the State of Florida to the St. Augustine Port, Waterway, and Beach District; and

S. J. Res. 42. Joint resolution consenting to an interstate compact to conserve oil and gas.

On August 29, 1951:

S. 100. An act to record the lawful admission for permanent residence of certain aliens;

S. 518. An act for the relief of Dr. Isac C. Goldstein;

S. 530. An act for the relief of Gerhard H. A. Anton Bebr;

S. 816. An act to authorize the sale of certain allotted land on the Crow Reservation, Mont.;

S. 1033. An act authorizing the Secretary of the Interior to issue a patent in fee to Lucille Ellen Sanders Groh;

S. 1034. An act authorizing the Secretary of the Interior to issue a patent in fee to Julia Jackson Sanders;

S. 1036. An act authorizing the Secretary of the Interior to issue a patent in fee to Julia Jackson Sanders;

S. 1474. An act for the relief of E. C. Browder and Charles Keylon;

S. 1503. An act for the relief of Harold Frederick D. Wolfgramm; and

S. 1673. An act to authorize and direct the Administrator of General Services to transfer to the Department of the Air Force certain property in the State of Mississippi.

On August 30, 1951:

S. 652. An act for the relief of Ruth Alice Crawshaw;

S. 930. An act for the relief of Ivan Herben, his wife, son, and daughter-in-law; and

S. 1242. An act for the relief of Salomon Henri Laifer.

LEAVES OF ABSENCE

On his own request, and by unanimous consent, Mr. SMITH of New Jersey was excused from attendance on the sessions of the Senate, after this evening, for an indefinite period, to attend the

~~negotiations in connection with the signing of the Japanese Peace Treaty at San Francisco.~~

On his own request, and by unanimous consent, Mr. KNOWLAND was excused from attendance on sessions of the Senate beginning at 10 o'clock this evening and continuing for the remainder of this week and all of next week.

On his own request, and by unanimous consent, Mr. HICKENLOOPER was excused from attendance on the sessions of the Senate while attending the signing of the Japanese Peace Treaty in San Francisco.

CORRECTION OF THE RECORD

Mr. BRIDGES. Mr. President, I ask unanimous consent at this time for correction of the CONGRESSIONAL RECORD. On page 10931 of the RECORD dated August 28, 1951, there appears two items, House Joint Resolution 41 and House bill 77, which were approved by the New Hampshire State Legislature. In each instance, the name of the speaker of the house of representatives is misspelled, apparently through a typographical error. The name should be spelled Lane Dwinnell.

The PRESIDENT pro tempore. Without objection, the correction will be made.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communications, which were referred as indicated:

PROPOSED PROVISION PERTAINING TO APPROPRIATIONS FOR EMERGENCY AGENCIES, 1951
(S. Doc. No. 65)

A communication from the President of the United States, transmitting a proposed provision pertaining to appropriations for

the fiscal year 1951, for emergency agencies (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

PROPOSED DEFICIENCY APPROPRIATION FOR THE JUDICIARY (S. Doc. No. 66)

A communication from the President of the United States, transmitting a proposed deficiency appropriation, in the amount of \$70,000, for the judiciary, fiscal year 1951 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

PROPOSED SUPPLEMENTAL APPROPRIATION, DEPARTMENT OF THE INTERIOR (S. Doc. No. 67)

A communication from the President of the United States, transmitting a proposed supplemental appropriation, in the amount of \$5,000,000, for the Department of the Interior, fiscal year 1952 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

AMENDMENT OF CONSTITUTION RELATING TO TAXING POWERS OF FEDERAL GOVERNMENT—CONCURRENT RESOLUTION OF NEW HAMPSHIRE LEGISLATURE

Mr. BRIDGES. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a concurrent resolution adopted by the New Hampshire State Legislature and which has been approved by the Honorable Sherman Adams, Governor of New Hampshire.

The resolution pertains to a request to the Congress of the United States to call a constitutional convention for the purpose of considering an amendment to the Constitution of the United States pertaining to the tax powers of the Federal Government.

I commend the text of this concurrent resolution and proposed amendment to the attention of my colleagues here in the Senate.

The concurrent resolution presented by Mr. BRIDGES was referred to the Committee on the Judiciary.

(See concurrent resolution printed in full when laid before the Senate by the President pro tempore on August 28, 1951, p. 10929, CONGRESSIONAL RECORD.)

CONTRIBUTION TO UNITED NATIONS INTERNATIONAL CHILDREN'S EMERGENCY FUND—REPORT OF A COMMITTEE

Mr. GREEN. Mr. President, from the Committee on Foreign Relations, I report favorably an original bill to authorize the contribution of \$12,000,000 to the United Nations International Children's Emergency Fund, and I submit a report (No. 723) thereon.

The PRESIDENT pro tempore. The report will be received, and the bill will be placed on the calendar.

The bill (S. 2079) to authorize the contribution of \$12,000,000 to the United Nations International Children's Emergency Fund, reported by Mr. GREEN from the Committee on Foreign Relations, was read twice by its title and ordered to be placed on the calendar.

AMENDMENT OF REVISED STATUTES RELATED TO UNDERWRITING AND DEALING IN SECURITIES ISSUED BY CENTRAL BANK FOR COOPERATIVES—REPORT OF A COMMITTEE

Mr. MAYBANK. Mr. President, from the Committee on Banking and Cur-

rency, I report favorably an original bill to further amend section 5136 of the Revised Statutes, as amended, with respect to underwriting and dealing in securities issued by the Central Bank for Cooperatives, and I submit a report (No. 724) thereon.

The PRESIDENT pro tempore. The report will be received and the bill will be placed on the calendar.

The bill (S. 2085) to further amend section 5136 of the Revised Statutes, as amended, with respect to underwriting and dealing in securities issued by the Central Bank for Cooperatives, reported by Mr. MAYBANK, from the Committee on Banking and Currency, was read twice by its title and ordered to be placed on the calendar.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BRIDGES (for himself, Mr. AIKEN, Mr. FLANDERS, Mr. TOBEY, Mr. BREWSTER, and Mrs. SMITH of Maine):

S. 2075. A bill granting the consent and approval of Congress to an interstate compact relating to the joint construction and operation of public welfare institutions; to the Committee on Labor and Public Welfare.

By Mr. JOHNSTON of South Carolina:

S. 2076. A bill to provide for the appointment of apprentices in the Government service through competitive examination;

S. 2077 (by request). A bill to provide for certain investigations by the Civil Service Commission in lieu of the Federal Bureau of Investigation, and for other purposes; and

S. 2078 (by request). A bill to authorize the establishment of postal stations and branch post offices at military, naval, and Coast Guard camps, posts, or stations and at defense or other strategic installations, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. GREEN:

S. 2079. A bill to authorize the contribution of \$12,000,000 to the United Nations International Children's Emergency Fund; ordered to be placed on the calendar.

(See the remarks of Mr. GREEN when he reported the above bill, which appear under a separate heading.)

By Mr. JOHNSON of Colorado:

S. 2080. A bill for the relief of Inooka Kazumi; to the Committee on the Judiciary.

S. 2081. A bill for the relief of Maj. Matthew J. Redlinger, Jr., United States Army, retired; to the Committee on Armed Services.

By Mr. NIXON:

S. 2082. A bill for the relief of Ludwig, Isabel and Milly Model; to the Committee on the Judiciary.

By Mr. FULBRIGHT:

S. 2083. A bill to amend the Navy ration statute so as to provide for the serving of oleomargarine or margarine; to the Committee on Armed Services.

By Mr. WELKER:

S. 2084. A bill for the relief of Mathilde Kohar Halebian; to the Committee on the Judiciary.

By Mr. MAYBANK:

S. 2085. A bill to further amend section 5136 of the Revised Statutes, as amended,

with respect to underwriting and dealing in securities issued by the Central Bank of Cooperatives; ordered to be placed on the calendar.

(See the remarks of Mr. MAYBANK when he reported the above bill, which appear under a separate heading.)

MUTUAL SECURITY ACT OF 1951—AMENDMENTS

Mr. GREEN (for himself, Mr. McMAHON, Mr. FULBRIGHT, and Mr. SPARKMAN) submitted amendments intended to be proposed by them jointly, to the bill (H. R. 5113) to maintain the security and promote the foreign policy and provide for the general welfare of the United States by furnishing assistance to friendly nations in the interest of international peace and security, which were ordered to lie on the table and to be printed.

Mr. LONG submitted an amendment intended to be proposed by him to House bill 5113, supra, which was ordered to lie on the table and to be printed.

Mr. CASE submitted an amendment intended to be proposed by him to House bill 5113, supra, which was ordered to lie on the table and to be printed.

Mr. SMITH of New Jersey (for himself, Mr. DOUGLAS, Mr. TAFT, and Mr. KEFAUVER) submitted amendments intended to be proposed by them jointly, to the committee amendment to House bill 5113, supra, which were ordered to lie on the table and to be printed.

Mr. SMATHERS submitted an amendment intended to be proposed by him to House bill 5113, supra, which was ordered to lie on the table and to be printed.

Mr. BENTON submitted amendments intended to be proposed by him to House bill 5113, supra, which were ordered to lie on the table and to be printed.

Mr. TAFT submitted amendments intended to be proposed by him to House bill 5113, supra, which were ordered to lie on the table and to be printed.

Mr. DIRKSEN submitted an amendment intended to be proposed by him to House bill 5113, supra, which was ordered to lie on the table and to be printed.

Mr. DIRKSEN (for himself, Mr. BYRD, Mr. McCLELLAN, Mr. WELKER, Mr. WHERRY, Mr. MALONE, Mr. CASE, Mr. MUNDT, Mr. WILLIAMS, Mr. SCHOEPPEL, Mr. TAFT, Mr. DWORSHAK, Mr. BUTLER of Maryland, Mr. WATKINS, Mr. BRICKER, and Mr. KEM) submitted an amendment intended to be proposed by them jointly, to House bill 5113, supra, which was ordered to lie on the table and to be printed.

Mr. MOODY (for himself and Mr. McMAHON) submitted an amendment intended to be proposed by them jointly, to House bill 5113, supra, which was ordered to lie on the table and to be printed.

Mr. ELLENDER submitted amendments intended to be proposed by him to House bill 5113, supra, which were ordered to lie on the table and to be printed.

MUTUAL DEFENSE ASSISTANCE CONTROL ACT OF 1951—PRINTING OF BILL WITH SENATE AMENDMENTS NUMBERED

Mr. HAYDEN. Mr. President, I ask unanimous consent that the bill (H. R. 4550) to provide for the control by the United States and cooperating foreign nations of exports to any nation or combination of nations threatening the se-

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued Oct. 2, 1951

For actions of Oct. 1, 1951

82nd-1st, No. 183

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HIGHLIGHTS: Senate debated conference report on foreign-aid bill; Senate passed bills to authorize commissions on Central Bank for Cooperatives debentures, repeal provision for subscriptions to Federal land banks, permit movement of diseased cattle, provide for tobacco-quota adjustments, authorize appropriations for access roads, permit larger timber sales without advertising; House committee reported access roads bill; House received conference report on legislative appropriations bill; Rep. Platnik introduced new St. Lawrence seaway measure.

SENATE

1. FARM CREDIT. Passed without amendment S. 2085, to enable national banks and State member banks of the Federal Reserve System to receive compensation for distribution of debentures issued by the Central Bank for Cooperatives (p. 12647-8).
~~Passed without amendment S. 2091, to amend the Federal Farm Loan Act so as to repeal the provisions for additional subscriptions on behalf of the U. S. to the capital stock of the Federal land banks (p. 12648).~~
2. ANIMAL DISEASES. Passed without amendment S. 1629, to permit the interstate shipment, for immediate slaughter, of domestic animals which have reacted to a test for paratuberculosis or which, never having been vaccinated for brucellosis, have reacted to a test for brucellosis (p. 12649).
3. FORESTRY. Passed without amendment S. 1517, to increase from \$500 to \$2,000 the limitation on the amount of timber and other forest products which the Department may sell without advertising (p. 12649).
~~Received a letter from the Budget Bureau reporting that the appropriation for fighting forest fires, fiscal year 1952, had been apportioned on a basis making it necessary for a supplemental appropriation estimate; to Appropriations Committee (p. 12635).~~
4. TOBACCO QUOTAS. Passed as reported H. R. 4475, to authorize an increase in marketing quotas and acreage allotments for any type or types within a kind of tobacco if needed to meet market demands and carry-over requirements for such type or types of tobacco and if there is a substantial difference in usage or market outlets for such type or types (p. 12655).

5. RECORDS MANAGEMENT. Passed as reported S. 1967, to amend or repeal various laws relating to Government records (pp. 12658-9).
6. ELECTRIFICATION. Passed as reported S. 97, to authorize the construction, operation, and maintenance of facilities for generating hydroelectric power at the Cheatham Dam on the Cumberland River, Tenn. (p. 12661).
7. ROADS. Passed without amendment S. 2025, to amend Sec. 9 of the Federal-Aid Highway Act of 1950 to increase the amount available as an emergency relief fund for the repair or reconstruction of highways and bridges damaged by floods or other catastrophes (pp. 12661-4).
Passed as reported S. 1956, to authorize additional appropriations under the Federal-Aid Highway Act of 1950, including funds for access roads to national forests in connection with the defense program (pp. 12664-5).
8. PROPERTY. Passed as reported S. 1952, to amend or repeal various Government property laws (pp. 12666-9).
9. VETERANS' TRAINING. Passed without amendment H. R. 3932, to provide vocational rehabilitation training for veterans with compensable service-connected disabilities who served on or after June 27, 1950 (p. 12666). This bill will now be sent to the President.
10. FOREIGN AID. Began debate on the conference report on H. R. 5113, the foreign-aid bill (pp. 12676-82).
Passed without amendment S. 2079, to authorize appropriation of \$12,000,000 for the United Nations International Children's Emergency Fund (pp. 12646-7, 12651-2).
11. TRANSPORTATION. Passed without amendment H. R. 3436, authorizing Canadian vessels to transport grain between U. S. ports on the Great Lakes during 1951 (p. 12646). This bill will now be sent to the President.
12. OVERTIME PAY. S. 354, to liberalize the law regarding overtime and holiday pay for Government employees, was discussed and passed over at the request of Sen. Hendrickson (p. 12670).
13. NOMINATION. The President withdrew the nomination of Frank A. Waring to be a member of the TVA Board (p. 12692).

HOUSE

14. TAXATION. The following conferees were appointed on H. R. 4473, the tax bill: Messrs. Doughton, Cooper, Dingell, Mills, Reed of New York, Jenkins, and Simpson of Pennsylvania (p. 12693).
15. LEGISLATIVE APPROPRIATIONS BILL. The conference report on this bill, H. R. 4496, was filed and appears in the Record (H. Rept. 1088) (pp. 12702-3).
16. ACCESS ROADS. The Public Works Committee reported without amendment H. R. 5504, to amend the Federal-Aid Highway Act of 1950 to increase the amount available for the construction of access roads identified as essential to the national defense (H. Rept. 1086) (p. 12705).
17. WATER RESOURCES. The Engle Subcommittee approved for reporting to the full Interior and Insular Affairs Committee H. R. 2131 as amended, authorizing the Secretary of the Interior to investigate water resources in Hawaii (p. D914).

ments. Of the total requirements only one-third will come from the United States to be spent in these foreign countries. As to how that one-third is to be contributed is a matter to be interpreted by the State Department. The Department has now obtained an agreement on the part of the other nations to proceed, and finally to make the full amount available for allocation on the part of the United States \$17,750,000.

Probably it does not mean that there will be an actual expenditure in 1 year or more than \$12,000,000, because the allocation must be made quite in advance of the actual expenditure. So I should think this did not indicate an actual spending on the part of the United States. The bill is merely an authorization measure, and the Appropriations Committee can hold down the actual expenditure of money when it makes the appropriation.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. GREEN. I thank the Senator from Ohio for his assistance.

Mr. LANGER. The Senator from Ohio is speaking in his own time, as I understand.

The VICE PRESIDENT. Does the Senator from Ohio yield to the Senator from North Dakota?

Mr. TAFT. Yes; I yield.

Mr. LANGER. Who administers this fund?

Mr. TAFT. It is under the United Nations, but largely administered by Americans. It is one of the branches of the United Nations concerning which Americans have something to say. I think this particular contribution is more satisfactory than other contributions to foreign countries because the contributions go right to the children themselves, and not to the governments to apply the money under their budgets without telling their people where it comes from. I think it is one fund that does bring some real sense of charity being extended to needy children who are unable, otherwise, to get the food and health services they need for a decent living.

Mr. LANGER. Does the fund exclude the people of any country, such as for example, the people of certain areas of Germany?

Mr. TAFT. There is no one excluded except that the fund has withdrawn assistance for countries who have gone behind the iron curtain. No allocation has been made for iron-curtain countries for a year and a half, and of course no further allocation will be made.

Mr. LANGER. Mr. President, will the Senator further yield?

Mr. TAFT. I yield.

Mr. LANGER. I notice the report states that some countries receive very little from the fund. I wondered why that was. Is the allocation made on the basis of population?

Mr. TAFT. The foreign governments have agreed to go along with the program. They have to permit those who administer the fund to operate. I imagine those in charge operate whenever the governments let them operate. Not only must the other nations contribute certain sums in addition to what the

United States contributes, but also the particular country in each case must put up 50 percent for the operation of the program that is conducted. Secondly, if a nation does not cooperate contributions may not be made for it.

Mr. LANGER. I notice in the table on page 4 of the report that Liberia has received only 1 contribution, whereas Australia has received 10,499 contributions.

Mr. TAFT. I am afraid I cannot tell the Senator what the contributions are with respect to individual countries. There may be various reasons for discrepancies. In this particular case perhaps the country has not met the requirements of the fund, or there may not be sufficient personnel to cover every country. On what basis allocations are made I cannot tell the Senator. The fund is rather specializing in the Near East.

Mr. GREEN. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. GREEN. In the case of Liberia that country contributed \$1,000, and the voluntary private contributions amounted to another thousand dollars, making a total of contributions of \$2,000. I should explain perhaps that government contributions are supplemented by private contributions.

Mr. LANGER. I should like to make a further inquiry. Australia and Liberia are not very much different in size, yet Australia received 10,499 contributions, whereas Liberia received only 1 contribution. Can the distinguished Senator from Rhode Island tell me why there should have been that discrepancy?

Mr. GREEN. I cannot. I am not familiar with the details. The organization itself contributes the funds, and, as the Senator from Ohio has told us, the contributions to the countries behind the iron curtain, for instance, have been gradually diminished until they have ceased.

Mr. LANGER. Mr. President, very reluctantly I must ask that the bill go over until I can find out something more about it.

The VICE PRESIDENT. The bill will be passed over.

Mr. SMITH of New Jersey. Mr. President, will the Senator withhold his objection for a minute?

Mr. LANGER. Yes; but I want to know why it was that Australia received 10,499 contributions whereas Liberia received only 1.

Mr. SMITH of New Jersey. Will the Senator from Ohio yield to me?

Mr. TAFT. I yield.

Mr. SMITH of New Jersey. I wish to call the attention of the Senator from North Dakota to the fact that it is not contributions but dollars that are involved.

The VICE PRESIDENT. The Senator from North Dakota has objected, and the bill has gone over.

Mr. LANGER. Mr. President, I withdraw my objection temporarily so that an explanation may be made.

Mr. SMITH of New Jersey. I cannot explain exactly what all the figures mean, but I notice that the columns show United States dollar equivalent, in thousands. It is not the number of contribu-

tions. In other words, the Australian Government has contributed \$10,449,000, and the Australian people have been very generous in contributing \$2,180,000. As to the management of the fund, I have known Mr. Maurice Pate for many years. He was one of the men who worked under Mr. Hoover for a long time. He has been greatly interested in the child problem ever since World War II broke out. He has given his entire time to the subject. So far as I know, he receives no financial recompense for the work he does in connection with the fund. I feel every confidence in the way he is organizing the program in the various countries.

Mr. TAFT. Mr. President, I ask that the bill go to the foot of the calendar until we can find out about the Liberian program. It is something I had not expected to be questioned about.

Mr. LANGER. Mr. President, I have no objection.

The VICE PRESIDENT. Without objection, the bill will be passed to the foot of the calendar.

Mr. TAFT subsequently said: Mr. President, I desire to make a brief statement with reference to Senate bill 2079, Calendar No. 683, which was passed over earlier today.

Mr. President, the distinguished Senator from North Dakota raised the question concerning Liberia's contribution to the program of the Children's Fund, as shown on a table which appears on page 4 of the committee report.

The figures on page 4 merely indicate that Liberia, through the goodness of its heart, contributed \$1,000. That is, there was a contribution of \$1,000 by the Government of Liberia and private contributors to the United Nations for the Children's Fund. There has never been any program in Liberia itself, because there never has been an application for it. The distinguished Senator from North Dakota [Mr. LANGER] wanted to know why there had not been a program in Liberia. It was simply because Liberia did not apply to the United Nations for such a program. Within the past 2 months application has been made. The only reason the program has not yet been put into effect is that there has been no meeting to approve it. If this bill is passed and the money is appropriated, there is every intention of establishing a program in Liberia.

CENTRAL BANK FOR COOPERATIVES

The bill (S. 2085) to further amend section 5136 of the Revised Statutes, as amended, with respect to underwriting and dealing in securities issued by the Central Bank for Cooperatives, was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. ELLENDER. Mr. President, reserving the right to object, may we have an explanation of the bill?

Mr. MAYBANK. Mr. President, I may say to the distinguished chairman of the Committee on Agriculture and Forestry that the bill merely puts the Central Bank for Cooperatives on the same basis as other farm banks, so as to enable national banks and State member banks of the Federal Reserve System to receive

compensation in the distribution of debentures issued by the Central Bank for Cooperatives.

THE PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 2085) to further amend section 5136 of the Revised Statutes, as amended, with respect to underwriting and dealing in securities issued by the Central Bank for Cooperatives, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the last sentence of paragraph seventh of section 5136 of the Revised Statutes, as amended (12 U. S. C. 24), is hereby amended by inserting "or the Central Bank for Cooperatives" after the word "Development"; by inserting "either of said banks" in lieu of the words "said bank"; by inserting "at any one time" after the words "no association shall"; by deleting "at any one time" after the word "exceeding"; and by inserting ", with respect to each issuer," after the word "amount"; so that said sentence shall read as follows: "The limitations and restrictions herein contained as to dealing in and underwriting investment securities shall not apply to obligations issued by the International Bank for Reconstruction and Development or the Central Bank for Cooperatives which are at the time eligible for purchase by a national bank for its own account: *Provided*, That no association shall at any one time hold obligations issued by either of said banks as a result of underwriting, dealing, or purchasing for its own account (and for this purpose obligations as to which it is under commitment shall be deemed to be held by it) in a total amount, with respect to each issuer, exceeding 10 percent of its capital stock actually paid in and unimpaired and 10 percent of its unimpaired surplus fund."

AMENDMENT OF FEDERAL FARM LOAN ACT

The bill (S. 2091) to amend the Federal Farm Loan Act, as amended, to repeal the provisions therein for additional subscriptions on behalf of the United States to the capital stock of the Federal land banks, was announced as next in order.

THE PRESIDING OFFICER. Is there objection to the present consideration of the bill?

MR. THYE. Mr. President, may we have an explanation of the bill?

MR. MAYBANK. The legislation is essential for this reason. All the stock held by the United States under this authority has already been paid off and retired. Therefore, there is no stock remaining, there is nothing to pay off, and the law remains on the books. The Department of Agriculture has asked for the legislation.

THE VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 2091) to amend the Federal Farm Loan Act, as amended, to repeal the provisions therein for additional subscriptions on behalf of the United States to the capital stock of the Federal land banks, was considered, ordered engrossed for a third reading, read the third time, and passed as follows:

Be it enacted, etc., That the last paragraph of section 5 of the Federal Farm Loan Act

as added by section 2 of the act of January 23, 1932 (47 Stat. 12), and amended by Executive Order No. 6084, March 27, 1933 (12 U. S. C., 1946 edition, 698), is hereby repealed.

RESTORATION IN THE PHILIPPINES

The Senate proceeded to consider the bill (S. 1415) to amend the War Claims Act of 1948 which was announced as next in order.

THE VICE PRESIDENT. Is there objection to the present consideration of the bill?

MR. SCHOEPPEL. Mr. President, reserving the right to object, may be have an explanation of the bill?

MR. O'CONNOR. This War Claims Act, which was passed unanimously by the Eighty-first Congress, makes possible the payment from the war-claims fund to institutions, hospitals, charitable institutions, welfare institutions in the Philippine Islands. It is restricted to those particular institutions which rendered aid to American forces during the occupation. It is limited to them and merely enables payment to be made to them. Payment is not made of money from the United States Treasury, but from the funds sequestered from Japanese assets. It restricts payments to those which will be allowed after due investigation.

MR. SCHOEPPEL. I have no objection.

THE PRESIDING OFFICER (Mr. STENNIS in the chair). Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That section 7 of the War Claims Act of 1948, as amended, is amended by inserting "(a)" after the section number, and by adding at the end thereof the following new subsection:

"(b) That any such religious organization or its personnel functioning in the Philippines and affiliated with a religious organization in the United States, which furnished relief in the Philippines to members of the Armed Forces of the United States or to civilian American citizens in accordance with the provisions of subsection (a) shall be compensated from the war claims fund, as hereinafter provided, for the loss and damage sustained as a consequence of the war to its schools, colleges, universities, scientific observatories, hospitals, dispensaries, orphanages, and other property or facilities connected with its educational, medical, or welfare work.

"(c) That any such affiliated organization furnishing relief which possessed any interest in, and whose personnel of American citizens substantially composed the administrative staff of, any hospital whose prewar facilities and capacity have not been restored shall be compensated in an amount sufficient to enable such organization to replace the hospital's facilities and capacity equal to that which existed at the time of the outbreak of the war, irrespective of what disposition was made subsequently of the land, buildings, and contents.

"(d) That claims filed pursuant to subsection (b) shall be determined and paid upon the basis of postwar cost of replacement which shall be ascertained by the War Claims Commission. In making such determinations the Commission shall utilize but not be limited to the factual information and evidence contained in the records

of the Philippine War Damage Commission; the technical advice of experts in the field; the substantiating evidence submitted by the claimants; and any other technical and legal means by which fair and equitable post-war replacement costs shall be determined.

"(e) The Commission is hereby authorized and directed to proceed at once with the necessary investigation, study, and establishment of procedures in order to determine the replacement costs of the claims to be filed under subsections (b) and (c), using as a basis for beginning such investigation and study the evidence contained in the claims of those religious organizations or their personnel which have already filed and are eligible to be paid under the terms of subsection (a) of this section.

"(f) All claims under subsections (b) and (c) must be filed on or before January 1, 1952, and between that date and March 31, 1952, the Commission shall adjudicate according to law and provide for the payment of any claim filed pursuant to this section. In any case in which any money is payable as a result of subsections (b) and (c) to a religious organization or its personnel functioning in the Philippines, such money shall be paid upon request of such organization to its affiliate in the United States: *Provided*, That all money thus paid to such affiliated religious organization in the United States shall be used by such affiliate for the purpose of restoring the educational, medical, and welfare facilities described in subsections (b) and (c) and located in the Philippines.

"(g) The Commission shall expedite the payments under this section without reducing payment of claims of American civilian internees and prisoners of war filed before March 31, 1952, pursuant to the provisions of sections 5 and 6 of this act."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend section 7 of the War Claims Act of 1948."

REMOVAL OF CERTAIN DISCRIMINATIONS AGAINST MARINE INSURANCE AND MUTUAL FIRE INSURANCE COMPANIES

The bill (H. R. 2562) amending section 437 (c) of the Internal Revenue Code was announced as next in order.

MR. LANGER. Mr. President, may we have an explanation of the bill?

MR. GEORGE. Mr. President, this is a House bill. It is intended merely to correct an error in the Excess Profits Tax Act. The House report makes this statement, which is true as a matter of fact:

In framing the Excess Profits Tax Act of 1950 your committee intended to give all insurance companies taxable under the provisions of section 204 of the code the same treatment with respect to the inclusion of their reserves in the computation of their equity capital. As presently worded, however, section 437 (c) and the other credit provisions of sections 437 and 439 of the code exclude marine insurance companies and mutual fire insurance companies issuing perpetual policies from all three of the basic credit provisions. H. R. 2562 corrects this oversight by amending section 437 (c) of the code to enable marine insurance companies and mutual fire insurance companies issuing perpetual policies to obtain the same invested capital credit as other insurance companies taxable under section 204.

MR. LANGER. Does the distinguished Senator from Georgia say that these



82D CONGRESS
1ST SESSION

S. 2085

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 4, 1951

Referred to the Committee on Banking and Currency

AN ACT

To further amend section 5136 of the Revised Statutes, as amended, with respect to underwriting and dealing in securities issued by the Central Bank for Cooperatives.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That the last sentence of paragraph seventh of section 5136
- 4 of the Revised Statutes, as amended (12 U. S. C. 24), is
- 5 hereby amended by inserting "or the Central Bank for
- 6 Cooperatives" after the word "Development"; by inserting
- 7 "either of said banks" in lieu of the words "said bank";
- 8 by inserting "at any one time" after the words "no associa-
- 9 tion shall"; by deleting "at any one time" after the word
- 10 "exceeding"; and by inserting ", with respect to each

1 issuer," after the word "amount"; so that said sentence
2 shall read as follows: "The limitations and restrictions herein
3 contained as to dealing in and underwriting investment
4 securities shall not apply to obligations issued by the Inter-
5 national Bank for Reconstruction and Development or the
6 Central Bank for Cooperatives which are at the time eligible
7 for purchase by a national bank for its own account:
8 *Provided*, That no association shall at any one time hold
9 obligations issued by either of said banks as a result of under-
10 writing, dealing, or purchasing for its own account (and
11 for this purpose obligations as to which it is under commit-
12 ment shall be deemed to be held by it) in a total amount,
13 with respect to each issuer, exceeding 10 per centum of
14 its capital stock actually paid in and unimpaired and 10
15 per centum of its unimpaired surplus fund."

Passed the Senate October 1, 1951.

Attest:

LESLIE L. BIFFLE,

Secretary.

AN ACT

To further amend section 5136 of the Revised Statutes, as amended, with respect to underwriting and dealing in securities issued by the Central Bank for Cooperatives.

October 4, 1951

Referred to the Committee on Banking and Currency



Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued March 19, 1952
For actions of March 18, 1952
82nd-2nd, No. 44

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HIGHLIGHTS: House passed bill to repeal authority to produce excess peanuts for oil. Ready for President. House committee reported bill to authorize use of oleomargarine by Navy. House committee voted to report bill to enable banks to be paid for distributing Bank for Cooperatives debentures. Sens. Jenner and Thye discussed soybean meal prices.

HOUSE

- PEANUT QUOTAS. Passed without amendment S. 2697, to repeal the legislation which permits the marketing of peanuts for oil in excess of marketing quotas (p. 2511). This bill will now be sent to the President.
- FARM CREDIT. The Banking and Currency Committee voted to report (but did not actually report) S. 2085, to enable national banks and State member banks of the Federal Reserve System to receive compensation in the distribution of debentures issued by the Central Bank for Cooperatives (p. D226).
- OLEOMARGARINE; RUBBER; APPROPRIATIONS. The Rules Committee reported resolutions for the consideration of H. R. 7012, to amend the Navy ration statute so as to provide for the serving of oleomargarine or margarine; H. R. 6787, to extend the Rubber Act of 1948; and H. R. 7072, the independent offices appropriation bill (p. 2532).
- FOUNDATIONS STUDY. The Rules Committee reported without amendment H. Res. 561, creating a select committee to investigate and study foundations and other comparable organizations (H. Rept. 1553)(p. 2532).
- FLOOD DAMAGE. The Judiciary Committee tabled H. R. 5022, to provide payment for property losses resulting from the 1951 floods in Kans., Mo., and Okla. (p. D226).
- EDUCATION. Rep. Wood, Ga., spoke on the importance of vocational education and

inserted a summary of Government programs to aid foreign students (pp. 2529-31).

7. INDIANS. Rep. Bow, Ohio, criticized the Indian programs and recommended abolition of the Bureau of Indian Affairs. Several members debated this matter with him. (pp. 2522-8.)

SENATE

8. SOYBEAN PRICES. Sens. Jenner and Thye criticized control of soybean meal prices and asked support of soybean oil prices (pp. 2484-5).

9. INVESTIGATION. The Judiciary Committee reported without amendment S. J. Res. 143, to authorize the appointment of a special investigator and not to exceed five deputies with power to investigate improper and illegal conduct in the transaction of the business of the U. S. Government, and to prosecute such conduct where found (S. Rept. 1339) (p. 2476).

10. SOIL CONSERVATION. In reporting S. 2569, to continue ACP (see Digest 41), the Agriculture and Forestry Committee made the following statement: "S. 2569 as introduced would continue the present agricultural conservation program indefinitely and repeal the provisions of law requiring it to be placed on a grants-in-aid basis beginning in 1953. Your committee conducted hearings on a similar bill in the Eighty-first Congress and at that time unanimously recommended a 2-year extension of the present program. Your committee is still of the opinion that the provisions placing the program on a grants-in-aid basis should not be repealed but additional time should be given the States to enact legislation authorizing them to cooperate with the Federal Government on that basis. At the same time the conservation program is so important to agricultural production, particularly in the present emergency, your committee believes it is imperative that the existing national program be continued at least two more years and therefore recommends amendment of S. 2569 to provide a 2-year extension of the program now in effect. In reporting the bill, the Committee also eliminated the provisions of the bill regarding the election of committeemen, repealing the assignment-of-payment provision, and changing AAA to FMA in Sec. 392 (a) of the Agricultural Adjustment Act.

11. FARM BANKRUPTCY. S. 25, as reported (see Digest 41), would add a new chapter XVI, "Farmer-debtor relief," to the Bankruptcy Act. This new chapter would become a permanent part of the Act and would replace the present Sec. 75, which has been extended from time to time, the last extension having expired Mar. 1, 1949. The bill provides for relief to individual farmers as distinguished from those of a given area. It also contains provisions for a minimum of hearings and distribution of costs between the parties.

12. ECONOMIC REPORT. The report of the Joint Committee on the Economic Report (see Digest 40) makes the following recommendations regarding several of the subjects covered in the President's Economic Report:

Price supports. "high levels of food and fiber production and fair incomes for farm families are basic national policy. It may be possible to maintain the desirable flexibility of existing agricultural price support legislation and still give farmers the assurance needed to enlist their wholehearted support in the production effort by raising the levels of reserves of key nonperishable farm commodities that must be reached before the sliding-scale features go into effect.

A substantial part of the agricultural labor force today is not employed to

tee on Labor and Labor-Management Relations continued its hearings on Communist infiltration in labor unions, and heard testimony from Paul M. Herzog, Chairman, and George J. Bott, General Counsel, both of the NLRB, who testified with regard to the problems of the NLRB in the administration of non-Communist affidavit provisions of the Taft-Hartley law. Subcommittee concludes these hearings tomorrow.

MACHINE TOOLS

Select Committee on Small Business: Subcommittee on

Mobilization and Procurement continued hearings on problems of machine-tool shortages, and received testimony from Clay Bedford, special assistant to the Secretary of Defense. Mr. Bedford stated that there are machine-tool shortages in certain critical areas of the defense program, but that in his opinion the machine-tool industry is making concerted efforts to supply defense needs as rapidly as possible. He also stated that additional aids and priorities for the machine-tool industry are now under discussion in the Defense Department and the DPA. Hearings continue tomorrow.

House of Representatives

Chamber Action

Bills Introduced: Nine public bills, H. R. 7103-7111; six private bills, H. R. 7112-7117; and seven resolutions, H. J. Res. 404, and H. Res. 573-578, were introduced.

Page 2533

Bills Reported: Reports were made as follows:

24 private measures, S. 430, 858, 970, 1458, 1604, 1668, 1682, 1998, 2100, 2157, S. Con. Res. 58, 63, H. Res. 559, 566, H. R. 975, 1099, 1826, 2413, 2789, 2902, 4455, 4932, 5121, and 5753 (H. Repts. 1529-1552, respectively);

H. Res. 561, creating a select committee to conduct an investigation and study of foundations and other comparable organizations (H. Rept. 1553);

H. Res. 574, providing for 1 hour of debate on H. R. 4511, to authorize the Secretary of the Navy to convey to Hawaii certain real property at Kahului, Wailuku, Maui, T. H. (H. Rept. 1554);

H. Res. 575, providing for 1 hour of debate on H. R. 5012, to amend the Navy ration statute so as to provide for the serving of oleomargarine or margarine (H. Rept. 1555);

H. Res. 576, providing for 1 hour of debate on H. R. 6336, authorizing additional funds for construction and equipment at existing laboratories and research stations of the National Advisory Committee for Aeronautics (H. Rept. 1556);

H. Res. 577, providing for 1 hour of debate on H. R. 6787, extending the Rubber Act of 1948 for 2 years, until June 30, 1954 (H. Rept. 1557); and

H. Res. 578, providing for 4 hours' general debate on, and waiving points of order against H. R. 7072, independent offices appropriation bill for 1953 (H. Rept. 1558).

Pages 2532-2533

Peanuts: Passed, without amendment, and sent to the White House S. 2697, amending Agricultural Adjustment Act of 1938, so as to repeal authority for growing peanuts (for oil) in excess of marketing quotas.

Page 2511

Private Calendar: On the call of the Private Calendar the following bills were passed:

Cleared for the President: S. 183, 465, 560, 589, 606, 828, 914, 1255, 1541, 1620, 1782, and 1925.

Sent to the Senate without amendment: H. R. 885, 1464, 2222, 3155, 3598, 3953, 4678, 5238, and H. J. Res. 363.

Sent to the Senate, amended: H. R. 1261, 1968, 1969, 2716, and 2832.

Pages 2512-2515

Omnibus Claims Bill: Passed, by voice vote, H. R. 6444, for the relief of sundry claimants. This bill was amended by having title III, for the relief of John Fleckstein, deleted.

Pages 2515-2520

Program for Wednesday: Adjourned at 3:38 p. m., until Wednesday, March 19, at 12 o'clock noon when the House will consider H. R. 7072, independent offices appropriation bill for 1953.

Committee Meetings

NAVAL VESSEL CONSTRUCTION

Committee on Armed Services: Ordered reported favorably to the House, with amendments, H. R. 6140, to authorize the construction of modern naval vessels. During executive session the committee heard further testimony from Admiral William M. Fechteler, Chief of Naval Operations; and Rear Adm. Homer N. Wallin, Chief, Bureau of Ships.

BANKING—INSURANCE

Committee on Banking and Currency: Ordered the following bills reported to the House—

H. R. 160, a bill to amend the Revised Statutes, with respect to the reserves of certain national banks;

H. R. 2608, a bill to amend the Federal Credit Union Act by authorizing investment of funds in shares or accounts of any State-chartered institution insured by the Federal Savings and Loan Insurance Corp., etc.;

H. R. 3177, amending the National Housing Act by providing that each officer or employee of any public unit having official custody of public funds and lawfully investing the same in an insured institution shall be deemed an insured member in such custodial capacity separate and distinct from any other employee or agent of the same or any public unit, etc.;

H. R. 4792, to provide for the transfer of the Jeremiah Curtin home and underlying land to the Milwaukee County Historical Society by the Public Housing Administration;

H. J. Res. 403, to permit the Federal National Mortgage Association to make commitments to purchase certain mortgages; and

S. 2085, to amend Revised Statutes with respect to underwriting and dealing in securities issued by Central Bank for Cooperatives.

Will resume Thursday morning on other pending bills.

D. C. HOME RULE

Committee on the District of Columbia: Harris Subcommittee on the Judiciary continued public hearings on pending legislation establishing local self-government in the District of Columbia. Testimony was received from proponent witnesses, as follows: Benjamin F. Colladay, representative of the Washington Board of Trade; Al Wheeler, representing the D. C. Democratic Central Committee; Mrs. Robert Leonard, representing the League of Women Voters; and Peter Beter, representing the Young Republican Club of Washington. Hearings will be continued tomorrow.

MUTUAL SECURITY

Committee on Foreign Affairs: W. Averell Harriman, Director of Mutual Security, testified today on behalf of the proposed extension of the Mutual Security Act and will continue his testimony at tomorrow morning's meeting.

GPO UNCOMPENSATED LEAVE

Committee on House Administration: Trimble Subcommittee on Printing considered, but postponed action until a later date, H. J. Res. 70, reimburses Government Printing Office employees for uncompensated leave earned during the fiscal year 1932. Testimony was received today, recommending favorable action, from John J. Deviny, Public Printer; Philip L. Cole, Deputy Public Printer; James J. O'Connor, president, Columbia Typographical Union, No. 101; and Thomas G. Walters, representing the Government Employees Council, AFL.

NURSING

Committee on Interstate and Foreign Commerce: Voted to table H. R. 910, providing a program of grants and scholarships for education in the field of nursing.

SEC STUDY

Committee on Interstate and Foreign Commerce: Heller Subcommittee on the Securities and Exchange Commission resumed executive discussions of the functions and operations of that agency, meeting with Commissioner Donald C. Cook. Recessed until tomorrow afternoon.

AIR-MAIL SUBSIDY SEPARATION

Committee on Interstate and Foreign Commerce: Announced that public hearings would begin next Monday morning, March 24, on miscellaneous bills relating to air-mail subsidy separation.

SAVINGS AND LOANS—FLOOD DAMAGE—CLAIMS—IMMIGRATION

Committee on the Judiciary: Ordered reported favorably to the House S. 1212, amending U. S. Code relative to definition of Federal savings and loan associations; and

Tabled H. R. 5022, to provide payment for property losses resulting from the 1951 floods in the States of Kansas, Missouri, and Oklahoma.

Ordered reported 34 private claims bills (24 of the House and 10 of the Senate), and tabled 8 others (5 of the House and 3 of the Senate).

Ordered reported 38 private immigration bills (24 of the House and 14 of the Senate), and tabled 14 others (13 of the House and 1 of the Senate).

Also ordered reported S. Con. Res. 58 and 63, favoring the suspension of deportation of certain aliens.

FEDERAL-AID HIGHWAYS

Committee on Public Works: Resumed executive consideration on Federal-aid highway legislation (H. R. 6094, 6180, and 6390). Will continue on same subject tomorrow morning.

FAIR TRADE

Committee on Rules: Considered a rule for H. R. 5767, the resale price maintenance (fair trade) bill introduced by Representative McGuire and reported to the House by the Committee on Interstate and Foreign Commerce, and a rule for H. R. 6925, the resale price maintenance (fair trade) bill introduced by Representative Keogh and reported by the Committee on the Judiciary. No final action was taken today and the rule will be further considered at another meeting tomorrow afternoon.

During consideration of H. R. 5767 Representative Priest spoke on behalf of the legislation, and Representative Hale, while not in favor of the McGuire bill, suggested that a rule be granted which would clear one of the bills for House consideration with the other to be made in order as an amendment. Representative Celler urged favorable consideration of a rule for H. R. 6925 but expressed opposition to both bills under consideration. Representative Reed of Illinois was heard in favor of a rule for H. R. 6925.

INDEPENDENT OFFICES—RUBBER—FOUNDATION STUDY

Committee on Rules: Granted a rule providing for 4 hours' general debate on, and waiving points of order against, H. R. 7072, independent offices appropriation bill for 1953. Representatives Thomas, of Texas, and

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82D CONGRESS } HOUSE OF REPRESENTATIVES } REPORT
 2d Session } } No, 1617

AMENDMENT TO SECTION 5136 OF THE REVISED STATUTES WITH
RESPECT TO UNDERWRITING AND DEALING IN SECURITIES
ISSUED BY THE CENTRAL BANK FOR COOPERATIVES

MARCH 20, 1952.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. SPENCE, from the Committee on Banking and Currency, submitted
the following

R E P O R T

[To accompany S. 2085]

The Committee on Banking and Currency, to whom was referred
the bill (S. 2085) to further amend section 5136 of the Revised Statutes,
as amended, with respect to underwriting and dealing in securities
issued by the Central Bank for Cooperatives, having considered the
same, report favorably thereon without amendment and recommend
that the bill do pass.

GENERAL STATEMENT

The Central Bank for Cooperatives and the 12 district banks for
cooperatives, all organized in 1933, operate under the supervision of
the Farm Credit Administration under the general direction and
supervision of the Secretary of Agriculture. The banks were estab-
lished for the purpose of making credit available to farmer cooper-
atives on a sound business basis. They make loans to eligible co-
operative associations, owned and controlled by farmers, engaged in
marketing agricultural products, purchasing farm supplies, and
furnishing farm business services. The purposes of the loans are to
assist the associations in the effective merchandising of agricultural
products, in purchasing of farm supplies, in meeting their operating
capital requirements, and in constructing or acquiring physical
facilities essential to their operations. Generally, loans to farmers'
cooperatives whose activities are local or regional in scope are made by
the district banks. Cooperative associations, national in scope, or
whose activities extend to several Farm Credit districts, are usually
served by the Central Bank. The Central Bank participates in many
loans made by the district banks, principally in cases where such loans

would exceed the lending limits of district banks. The district banks also participate from time to time in credit extended by the Central Bank and by other district banks, and the several banks make loans to one another for short periods. Of the \$62,421,500 capital stock of the Central Bank for Cooperatives, \$60,000,000 is owned by the United States.

The objective of this bill is to enable national banks and State member banks of the Federal Reserve System to receive compensation in the distribution of debentures issued by the Central Bank for Cooperatives. At present, national banks and State member banks can and do receive commissions from the issuers in connection with their participation in sales of Federal land-bank bonds and Federal intermediate-credit-bank debentures, whether the purchases are made for their own account or for the account of customers. This is because securities of the Federal land banks and Federal intermediate credit banks are exempted by 12 U. S. C. 24 from the restrictions imposed by that section, and are likewise not subject to the requirements of the Investment Securities Regulation (12 C. F. R. 1.1-1.3) promulgated by the Comptroller of the Currency pursuant to 12 U. S. C. 24. The absence of a similar exemption for debentures of the Central Bank for Cooperatives has been construed as prohibiting national banks and State member banks from accepting such commissions with respect to Central Bank debentures purchased for the account of customers. Accordingly, the Central Bank for Cooperatives, which made its first offering of debentures last year, has found itself in a less favorable position with respect to the marketing of its securities than the other Farm Credit institutions mentioned above.

Experience in offerings of bonds of the Federal land banks and debentures of the Federal intermediate credit banks has demonstrated that substantial portions of all subscriptions have come from national banks and State member banks on behalf of their customers. It is desirable, therefore, to have the assistance and cooperation of national banks and State member banks in the sale of Central Bank debentures in order to market successfully these securities. In view of this situation it is important that this group of institutions be placed in the same position with respect to commissions on sales of such debentures as they are in respect to commissions on sales of bonds and debentures of the Federal land banks and the Federal intermediate credit banks.

The commissions paid in connection with the sale of bonds and debentures by institutions of the Farm Credit Administration are relatively small. On the initial issue of debentures sold by the Central Bank for Cooperatives, the commission amounted to \$1.50 per \$1,000 of debentures sold or 0.05 percent per annum, since the debentures were of 3-year term. The Treasury Department is consulted in connection with contemplated offerings of securities by institutions of the Farm Credit Administration, the consultation covering, among other things, the term of the issue, the interest rate, the offering price, and the commission to be paid for the distribution of the securities.

The Department of Agriculture recommends enactment of the bill and has advised the committee that the proposal has been considered by the Treasury Department and the Board of Governors of the Federal Reserve System, and each agency has stated that it has no objection to enactment of the bill. The Department of Agriculture

also advises that the Bureau of the Budget likewise has no objection to the proposal.

CHANGES IN EXISTING LAW

In compliance with paragraph 2a of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as passed the Senate, are shown as follows (existing law proposed to be omitted is enclosed in black brackets; new matter is printed in italics; existing law in which no change is proposed is shown in roman):

SECTION 5136 OF THE REVISED STATUTES

R. S. 5136. * * * a national banking association * * * shall have power—

* * * * *

Seventh.¹ To exercise by its board of directors or duly authorized officers or agents, subject to law, all such incidental powers as shall be necessary to carry on the business of banking; by discounting and negotiating promissory notes, drafts, bills of exchange, and other evidences of debt; by receiving deposits; by buying and selling exchange, coin, and bullion; by loaning money on personal security; and by obtaining, issuing, and circulating notes according to the provisions of this chapter. The business of dealing in securities and stock by the association shall be limited to purchasing and selling such securities and stock without recourse, solely upon the order, and for the account of, customers, and in no case for its own account, and the association shall not underwrite any issue of securities or stock: *Provided*, That the association may purchase for its own account investment securities under such limitations and restrictions as the Comptroller of the Currency may by regulation prescribe. In no event shall the total amount of the investment securities of any one obligor or maker, held by the association for its own account, exceed at any time 10 percentum of its capital stock actually paid in and unimpaired and 10 per centum of its unimpaired surplus fund, except that this limitation shall not require any association to dispose of any securities lawfully held by it on August 23, 1935. As used in this section the term "investment securities" shall mean marketable obligations, evidencing indebtedness of any person, copartnership, association, or corporation in the form of bonds, notes and/or debentures commonly known as investment securities under such further definition of the term "investment securities" as may by regulation be prescribed by the Comptroller of the Currency. Except as herein-after provided or otherwise permitted by law, nothing herein contained shall authorize the purchase by the association for its own account of any shares of stock of any corporation. The limitations and restrictions herein contained as to dealing in, underwriting and purchasing for its own account, investment securities shall not apply to obligations of the United States, or general obligations of any State or of any political subdivision thereof, or obligations issued under authority of the Federal Farm Loan Act, as amended, or issued by the Federal Home Loan Banks or the Home Owners' Loan Corporation, or obligations which are insured by the Federal Housing Administrator pursuant to section 207 of the National Housing Act if the debentures to be issued in payment of such insured obligations are guaranteed as to principal and interest by the United States, or obligations of national mortgage associations, or such obligations of any local public agency (as defined in section 110 (h) of the Housing Act of 1949) as are secured by an agreement between the local public agency and the Housing and Home Finance Administrator, in which the local public agrees to borrow from said Administrator, and said Administrator agrees to lend to said local public agency, prior to the maturity of such obligations (which obligations shall have a maturity of not more than eighteen months), moneys in an amount which (together with any other moneys irrevocably committed to the payment of interest on such obligations) will suffice to pay the principal of such obligations with interest to maturity thereon, which moneys under the terms of said agreement are required to be used for the purpose of paying the principal of and the interest on such obligations at their maturity, or such obligations of a public housing

¹ This provision is in sec. 24 of title 12 of the United States Code (1946 edition). Sec. 335 of the same title provides that "State member banks (of the Federal Reserve System) shall be subject to the same limitations and conditions with respect to the purchasing, selling, underwriting, and holding of investment securities and stock as are applicable in the case of national banks under par. 'Seventh' of sec. 24 of this title."

4 AMENDMENT TO SECTION 5136 OF THE REVISED STATUTES

agency (as defined in the United States Housing Act of 1937, as amended) as are secured either (1) by an agreement between the public housing agency and the Public Housing Administration in which the public housing agency agrees to borrow from the Public Housing Administration, and the Public Housing Administration agrees to lend to the public housing agency, prior to the maturity of such obligations (which obligations shall have a maturity of not more than eighteen months), moneys in an amount which (together with any other moneys irrevocably committed to the payment of interest on such obligations) will suffice to pay the principal of such obligations with interest to maturity thereon, which moneys under the terms of said agreement are required to be used for the purpose of paying the principal of and the interest on such obligations at their maturity, or (2) by a pledge of annual contributions under an annual contributions contract between such public housing agency and the Public Housing Administration if such contract shall contain the covenant by the Public Housing Administration which is authorized by subsection (b) of section 22 of the United States Housing Act of 1937, as amended, and if the maximum sum and the maximum period specified in such contract pursuant to said subsection 22 (b) shall not be less than the annual amount and the period for payment which are requisite to provide for the payment when due of all installments of principal and interest on such obligations: *Provided*, That in carrying on the business commonly known as the safe-deposit business the association shall not invest in the capital stock of a corporation organized under the law of any State to conduct a safe-deposit business in an amount in excess of 15 per centum of the capital stock of the association actually paid in and unimpaired and 15 per centum of its unimpaired surplus. The limitations and restrictions herein contained as to dealing in and underwriting investment securities shall not apply to obligations issued by the International Bank for Reconstruction and Development or the Central Bank for Cooperatives which are at the time eligible for purchase by a national bank for its own account: *Provided*, That no association shall at any one time hold obligations issued by [said bank] either of said banks as a result of underwriting, dealing, or purchasing for its own account (and for this purpose obligations as to which it is under commitment shall be deemed to be held by it) in a total amount, *with respect to each issuer*, exceeding [at any one time] 10 per centum of its capital stock actually paid in and unimpaired and 10 per centum of its unimpaired surplus fund.



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Union Calendar No. 498

82D CONGRESS
2D SESSION

S. 2085

[Report No. 1617]

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 4, 1951

Referred to the Committee on Banking and Currency

MARCH 20, 1952

Committed to the Committee of the Whole House on the State of the Union
and ordered to be printed

AN ACT

To further amend section 5136 of the Revised Statutes, as amended, with respect to underwriting and dealing in securities issued by the Central Bank for Cooperatives.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That the last sentence of paragraph seventh of section 5136
- 4 of the Revised Statutes, as amended (12 U. S. C. 24), is
- 5 hereby amended by inserting "or the Central Bank for
- 6 Cooperatives" after the word "Development"; by inserting
- 7 "either of said banks" in lieu of the words "said bank";
- 8 by inserting "at any one time" after the words "no associa-
- 9 tion shall"; by deleting "at any one time" after the word
- 10 "exceeding"; and by inserting ", with respect to each

1 issuer," after the word "amount"; so that said sentence
2 shall read as follows: "The limitations and restrictions herein
3 contained as to dealing in and underwriting investment
4 securities shall not apply to obligations issued by the Inter-
5 national Bank for Reconstruction and Development or the
6 Central Bank for Cooperatives which are at the time eligible
7 for purchase by a national bank for its own account: *Pro-*
8 *vided*, That no association shall at any one time hold
9 obligations issued by either of said banks as a result of under-
10 writing, dealing, or purchasing for its own account (and
11 for this purpose obligations as to which it is under commit-
12 ment shall be deemed to be held by it) in a total amount,
13 with respect to each issuer, exceeding 10 per centum of
14 its capital stock actually paid in and unimpaired and 10
15 per centum of its unimpaired surplus fund."

Passed the Senate October 1, 1951.

Attest:

LESLIE L. BIFFLE,

Secretary.

82d CONGRESS
2d SESSION

S. 2085

[Report No. 1617]

AN ACT

To further amend section 5136 of the Revised Statutes, as amended, with respect to underwriting and dealing in securities issued by the Central Bank for Cooperatives.

October 4, 1951

Referred to the Committee on Banking and Currency

March 20, 1952

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued March 21, 1952
For actions of March 20, 1952
32nd-2nd, No. 46

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HIGHLIGHTS: House debated independent offices appropriation bill, cutting GSA and CEA. House referred various USDA flood-control reports to Public Works Committee.

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HOUSE

1. INDEPENDENT OFFICES APPROPRIATION BILL, 1953. Continued debate on this bill, H. R. 7072 (pp. 2649-82). Agreed to the following amendments:
By Rep. Rees, Kans., to reduce Council of Economic Advisers by \$100,000 (pp. 2650-1).
By Rep. Curtis, Mo., to reduce executive direction and staff operations of GSA by \$618,550, by a 79-52 vote (pp. 2659-61).
By Rep. Battle, Ala., to reduce repair, preservation, and equipment of buildings outside D. C. by \$1,000,000 (p. 2664).
By Rep. Battle, to reduce renovation and improvement of Federal buildings outside D. C., by a 73-46 vote (p. 2664).
Rejected the following amendments:
By Rep. Dawson, Ill., to restore \$11,315,970 of the committee cut (below the Budget) for Public Buildings Service (p. 2661).
By Rep. Holifield, Calif., to strike out the provision for a \$16,500 salary for the present Commissioner of Public Buildings (pp. 2661-2).
By Rep. Holifield, to provide \$990,000 (as recommended in the Budget) for the Federal catalog project (p. 2662).
By Rep. Burnside, W. Va., to restore \$825,800 for Federal records centers at Seattle, Kansas City, and Boston (pp. 2662-4).
By Rep. Holifield, to restore \$4,002,000 of the estimate for expenses of the general supply fund (pp. 2665-6).
2. LABOR-FEDERAL SECURITY APPROPRIATION BILL, 1953. The Appropriations Committee reported this bill, H. R. 7151 (H. Rept. 1602)(p. 2646).
3. BUILDINGS. The Rules Committee reported a resolution for consideration of H. R.

4323, to authorize GSA to enter into lease-purchase agreements to provide for Government lease of real property and structures for terms of from 5 to 25 years and for acquisition of title by the end of the lease terms (p. 2649).

4. FLOOD CONTROL. Received from this Department flood-control survey reports on the Pee Dee River watershed in Va., N. C., and S. C. (H. Doc. 395), Brazos River watershed in Tex. (H. Doc. 396), Queen Creek watershed, Ariz. (H. Doc. 397), and Sny watershed, Ill. (H. Doc. 398); to Public Works Committee (p. 2695).
5. FARM CREDIT. The Banking and Currency Committee reported without amendment S. 2085, to enable national banks and State member banks of the Federal Reserve System to receive compensation for distribution of debentures issued by the Central Bank for Cooperatives (H. Rept. 1617) (p. 2695).

SENATE

6. PRICE CONTROL. Sen. Wiley inserted a Wis. Council of Agricultural Cooperatives resolution opposing price control (p. 2588).
7. ST. LAWRENCE WATERWAY. Sen. Wiley inserted several resolutions favoring this proposed project (pp. 2588-9).
8. ADJOURNED until Mon., Mar. 24 (p. 2647). It was agreed to consider bills on the calendar at that time (p. 2590).

BILLS INTRODUCED

9. TRANSPORTATION. S. 2901, by Sen. Johnson, to amend the Interstate Commerce Act to alleviate shortages in boxcars and other vehicles during emergency; to Interstate and Foreign Commerce Committee (p. 2589).
10. FARM CREDIT; MINERALS. S. 2904, by Sen. Young, to provide against reservation of mineral interests by Federal land banks. Remarks of author. (pp. 2589-90.)
11. PENALTY MAIL. H. R. 7153, by Rep. Curtis, Nebr., to abolish free transmission of official Government mail matter and certain other mail; to Post Office and Civil Service Committee (p. 2696).
12. PRICE SUPPORTS. H. R. 7158, by Rep. Murray, Wis., to provide support for the price of defatted milk at $1\frac{1}{2}$ cents a pound; to Agriculture Committee (p. 2696).
13. APPROPRIATIONS. H. Res. 583, by Rep. Coudert, N. Y., to make in order provisions in and amendments to appropriation bills which reduce, or impose limitations upon the expenditures, of appropriations previously made; to Rules Committee (p. 2696).

ITEMS IN APPENDIX

14. ELECTRIC POWER. Rep. Miller, N. Y., inserted resolutions of the Hornell (N. Y.) Exchange Club and the Niagara Frontier Builders' Association, Inc., and a Binghamton (N. Y.) Sun editorial supporting the Capehart-Miller bills for the further development of Niagara Falls electric power by private enterprise (pp. A1831, A1832-3, A1837-8).
15. FOREIGN AID. Rep. Reed, N. Y.; inserted a Commercial and Financial Chronicle article by Dr. Edward Ewing Pratt, criticizing the administration of the foreign aid programs. He claimed they were inflationary and that "Europe may well suffer greater losses through inflation, of which we have been the

March 24 on account of official business.

Mr. HARRISON of Virginia (at the request of Mr. PRIEST), for Friday, March 21, on account of official business.

ADJOURNMENT

Mr. GORE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 44 minutes p. m.), under its previous order, the House adjourned until tomorrow, Friday, March 21, 1952, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1263. A letter from the Acting Secretary of Agriculture, transmitting a survey report dated May 1950, together with accompanying papers and illustrations, of the Pee Dee River watershed in Virginia, North Carolina, and South Carolina, made under the provisions of the Flood Control Act, approved June 22, 1936, as amended and supplemented (H. Doc. No. 395); to the Committee on Public Works and ordered to be printed with illustrations.

1264. A letter from the Acting Secretary of Agriculture, transmitting a survey report dated January 1951, together with accompanying papers and illustrations, of the Brazos River watershed in Texas, made under the provisions of the Flood Control Act, approved June 22, 1936, as amended and supplemented (H. Doc. No. 396); to the Committee on Public Works and ordered to be printed with illustrations.

1265. A letter from the Acting Secretary of Agriculture, transmitting a survey report dated July 1950, together with accompanying papers and illustrations, of the Queen Creek watershed in Arizona made under the provisions of the Flood Control Act approved June 22, 1936, as amended and supplemented (H. Doc. No. 397); to the Committee on Public Works and ordered to be printed with illustrations.

1266. A letter from the Acting Secretary of Agriculture, transmitting a survey report dated May 1950, together with accompanying papers and illustrations, of the Sny watershed in Illinois made under the provisions of the Flood Control Act approved June 22, 1936, as amended and supplemented (H. Doc. No. 398); to the Committee on Public Works, and ordered to be printed with illustrations.

1267. A letter from the Assistant Secretary of Agriculture, transmitting the report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease under the terms of Public Law 8, Eightieth Congress, for the month of January 1952; to the Committee on Agriculture.

1268. A letter from the Secretary of Commerce, transmitting the annual report of the Foreign Trade Zones Board for the fiscal year ended June 30, 1951, together with the reports covering the operations during the same period of foreign trade zones Nos. 1, 2, 3, 4, 5, and 6 located respectively at New York City, New Orleans, San Francisco, Los Angeles, Seattle, and San Antonio pursuant to section 16 of the Foreign Trade Zones Act of June 18, 1934, as amended by Public Law No. 566, Eighty-first Congress, approved June 17, 1950; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk

for printing and reference to the proper calendar, as follows:

Mr. FOGARTY: Committee on Appropriations. H. R. 7151. A bill making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1953, and for other purposes; without amendment (Rept. No. 1602). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 558. Resolution providing for the appointment of a special committee of the House of Representatives to investigate the campaign expenditures of the various candidates for the House of Representatives, and for other purposes; without amendment (Rept. No. 1603). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 582. Resolution for the consideration of H. R. 4323, a bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to authorize the Administrator of General Services to enter into lease-purchase agreements to provide for the lease to the United States of real property and structures for terms of more than 5 years but not in excess of 25 years and for acquisition of title to such properties and structures by the United States at or before the expiration of the lease terms, and for other purposes; without amendment (Rept. No. 1604). Referred to the House Calendar.

Mr. BUCKLEY: Committee on Public Works. H. R. 5652. A bill authorizing the Oregon State Highway Commission to construct, maintain, and operate a dam and dike to prevent the flow of tidal waters into north slough, Coos County, Oreg.; without amendment (Rept. No. 1605). Referred to the House Calendar.

Mr. BUCKLEY: Committee on Public Works. House Joint Resolution 350. Joint resolution to provide an extension of time for the authorization for certain projects for local flood protection in the Tennessee River Basin; without amendment (Rept. No. 1606). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 6635. A bill to exempt from taxation certain property of the AMVETS American Veterans of World War II, in the District of Columbia; without amendment (Rept. No. 1607). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. H. R. 160. A bill to amend section 5192 of the Revised Statutes, with respect to the reserves of certain national banks; without amendment (Rept. No. 1616). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. S. 2085. An act to further amend section 513a of the Revised Statutes, as amended, with respect to underwriting and dealing in securities issued by the Central Bank for Cooperatives; without amendment (Rept. No. 1617). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. H. R. 2608. A bill to amend the Federal Credit Union Act; with amendment (Rept. No. 1618). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. H. R. 3177. A bill to amend title IV of the National Housing Act as amended; without amendment (Rept. No. 1619). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. H. R. 4792. A bill to provide for the transfer of the Jeremiah Curtin home and underlying land to the Milwaukee

County Historical Society by the Public Housing Administration; with amendment (Rept. No. 1620). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. H. R. 6101. A bill to extend the provisions of the Federal Credit Union Act, as amended, to the Virgin Islands; without amendment (Rept. No. 1621). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. House Joint Resolution 403. Joint resolution to permit the Federal National Mortgage Association to make commitments to purchase certain mortgages; without amendment (Rept. No. 1622). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSION: Committee on Expenditures in the Executive Departments. Thirteenth intermediate report of the Committee on Expenditures in the Executive Departments, entitled "Construction at Andrews Air Base"; (Rept. No. 1623). Referred to the Committee of the Whole House on the State of the Union.

Mr. STANLEY: Committee on House Administration. House Resolution 556. Resolution to provide additional funds for the expenses of the investigations and studies authorized by House Resolution 390, as amended; with amendment (Rept. 1624). Ordered to be printed.

Mr. STANLEY: Committee on House Administration. House Resolution 487. Resolution to provide funds for the Committee on the Judiciary; with amendment (Rept. No. 1625). Ordered to be printed.

Mr. STANLEY: Committee on House Administration. House Resolution 526. Resolution to authorize the expenditure of certain funds for the expenses of the Committee on Un-American Activities; without amendment (Rept. No. 1626). Ordered to be printed.

Mr. STANLEY: Committee on House Administration. House Resolution 557. Resolution to provide funds for the expenses of the investigations and studies authorized by House Resolution 38; without amendment (Rept. No. 1627). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FRAZIER: Committee on the Judiciary. S. 1749. An act for the relief of Gordon E. Smith; without amendment (Rept. No. 1608). Referred to the Committee of the Whole House.

Mr. JONAS: Committee on the Judiciary. S. 1949. An act for the relief of Hattie Truax Graham, formerly Hattie Truax; without amendment (Rept. No. 1609). Referred to the Committee of the Whole House.

Mr. FINE: Committee on the Judiciary. S. 2004. An act for the relief of Mr. and Mrs. David H. Perkins; without amendment (Rept. No. 1610). Referred to the Committee of the Whole House.

Mr. FRAZIER: Committee on the Judiciary. S. 2005. An act for the relief of Harriet F. Bradshaw; without amendment (Rept. No. 1611). Referred to the Committee of the Whole House.

Mr. FINE: Committee on the Judiciary. S. 2418. An act for the relief of Britt-Marie Eriksson and others; without amendment (Rept. No. 1612). Referred to the Committee of the Whole House.

Mr. MILLER of New York: Committee on the Judiciary. H. R. 2628. A bill for the relief of the George H. Sofiel Co.; without amendment (Rept. No. 1613). Referred to the Committee of the Whole House.

Mr. RODINO: Committee on the Judiciary. H. R. 4037. A bill for the relief of M. Neil Andrews; without amendment (Rept. No. 1614). Referred to the Committee of the Whole House.

Mr. GOODWIN: Committee on the Judiciary. H. R. 4492. A bill for the relief of Norma J. Roberts; with amendment (Rept. No. 1615). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FOGARTY:

H. R. 7151. A bill making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1953, and for other purposes; to the Committee on Appropriations.

By Mr. BUCKLEY:

H. R. 7152. A bill to provide for voluntary coverage under the Federal old-age and survivors insurance system for lawyers engaged in the practice of their profession; to the Committee on Ways and Means.

By Mr. CURTIS of Nebraska:

H. R. 7153. A bill to abolish free transmission of official Government mail matter and certain other mail matter; to the Committee on Post Office and Civil Service.

By Mr. HARVEY:

H. R. 7154. A bill to provide for the issuance of a special postage stamp honoring the centennial of the Indiana State Fair; to the Committee on Post Office and Civil Service.

By Mr. SABATH:

H. R. 7155. A bill to relieve from liability to refund to the United States any compensation received for any period prior to July 1, 1935, in contravention of dual compensation laws; to the Committee on the Judiciary.

H. R. 7156. A bill to provide that certain unclaimed deposits in national banks shall be covered into the Treasury of the United States; to the Committee on Banking and Currency.

By Mr. SADLAK:

H. R. 7157. A bill to amend the Defense Production Act of 1950, as amended; to the Committee on Banking and Currency.

By Mr. MURRAY of Wisconsin:

H. R. 7158. A bill to amend the Agricultural Act of 1949 so as to provide support

for the price of defatted milk at 1½ cents per pound; to the Committee on Agriculture.

By Mr. KENNEDY:

H. R. 7159. A bill to recognize nonprofit nonpolitical veterans' organizations for purposes of bestowing upon them certain benefits, rights, privileges, and prerogatives; to the Committee on Veterans' Affairs.

By Mr. COLE of New York:

H. R. 7160. A bill to provide for the training of candidates for appointment as nurses in the military services; to the Committee on Armed Services.

By Mr. KENNEDY:

H. R. 7161. A bill for the safety of life and property by making certain commercial fishing vessels subject to the rules and regulations of the United States Coast Guard marine inspection; to the Committee on Merchant Marine and Fisheries.

By Mr. RAYBURN:

H. R. 7162. A bill to authorize the Chief of Engineers to enter into contracts for the use of dams and reservoirs under the control of the Department of the Army for the storage and release of water for domestic and industrial uses, and for other purposes; to the Committee on Public Works.

By Mr. COUDERT:

H. Res. 583. Resolution to amend the Rules of the House of Representatives, so as to make in order provisions in and amendments to general appropriation bills which reduce, or impose limitations upon the expenditure of, appropriations previously made; to the Committee on Rules.

By Mr. BURDICK:

H. Res. 584. Resolution requesting the Secretary of the Interior to investigate the activities of the Tribal Council for the Indians of the Fort Berthold Reservation; to the Committee on Interior and Insular Affairs.

By Mr. JACKSON of Washington:

H. J. Res. 406. Joint resolution authorizing the erection of a statue of Leif Ericsson in the District of Columbia; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California (by request):

H. R. 7163. A bill for the relief of Peter M. Mihalovici; to the Committee on the Judiciary.

By Mr. COLE of New York:

H. R. 7164. A bill for the relief of Peter Roussetos, also known as Panagiotis Roussetos, also known as Panagiotis Roussetos Metriltikas; to the Committee on the Judiciary.

By Mr. DENNY:

H. R. 7165. A bill for the relief of Lydia L. A. Samraney; to the Committee on the Judiciary.

By Mr. FARRINGTON:

H. R. 7166. A bill for the relief of Chien So Chen and Chien So Chuing; to the Committee on the Judiciary.

By Mr. FINE:

H. R. 7169. A bill for the relief of Aroussian Agoplan and Tacor Agoplan; to the Committee on the Judiciary.

By Mr. KEARNEY:

H. R. 7170. A bill for the relief of Johanna Zeline Zolliker; to the Committee on the Judiciary.

By Mrs. KELLY of NEW YORK:

H. R. 7171. A bill for the relief of Nicholas Toumanoff; to the Committee on the Judiciary.

By Mr. LUCAS:

H. R. 7173. A bill for the relief of Linda Darlene Kunz; to the Committee on the Judiciary.

By Mr. MITCHELL:

H. R. 7175. A bill for the relief of Robert Keith Slotvig; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

642. Mr. HART presented a petition of the Hudson County Press Club, Union City, N. J., which unanimously passed a resolution protesting House Speaker's ban on broadcasting and telecasting in House committees, which was referred to the Committee on Rules.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
(For Department Staff Only)

Issued April 1, 1952
For actions of March 31, 1952
82nd-2nd, No. 53

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HIGHLIGHTS: House committee reported agricultural appropriation bill and legislative appropriation bill. House passed bill to pay banks for dealing in Central Bank for Cooperatives debentures. Ready for President. House passed bill to prohibit unauthorized use of "Smiley Bear."

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HOUSE

1. ~~AGRICULTURAL APPROPRIATION BILL, 1953.~~ The Appropriations Committee reported this bill, H. R. 7314 (H. Rept. 1673). Rep. Andersen, Minn., reserved all points of order on the bill. (pp. 3233-4.)

Representatives of the Department agencies and bureaus have been advised in detail of the Committee's actions on the Budget estimates for this Department. Copies of the bill, committee report, and hearings will be distributed as soon as received, pursuant to a distribution list that has been worked out with the Department agencies. In general, copies should be obtained through the agency and bureau budget offices rather than from this office.

At the end of this Digest is a summary comparison of the Committee actions with the 1953 Budget estimates and with total anticipated funds available in 1952, and excerpts from the committee report.

2. ~~LEGISLATIVE APPROPRIATION BILL, 1953.~~ The Appropriations Committee reported this bill, H. R. 7313 (H. Rept. 1672) (p. 3230). This bill includes appropriations for the Government Printing Office and the Library of Congress.

3. ~~FARM CREDIT.~~ Passed without amendment S. 2085, to enable the banks to receive pay for distributing the debentures of the Central Bank for Cooperatives (p. 3238). This bill will now be sent to the President.

4. ~~APPROPRIATION PROCEDURE.~~ During a discussion with Rep. Smith, Va., Chairman Cannon of the Appropriations Committee agreed that five days would be allowed

between the time appropriation bills are reported and the time they are taken up on the floor (pp. 3232-3).

5. MINERALS. Passed as reported H. R. 472, to permit the mining, development, and utilization of the mineral resources of all public lands, withdrawn or reserved for power development. Rep. Ford, Mich., expressed the opinion that the bill should be amended to "except national forest lands!" (pp. 3234-5.)

On objections of Rep. Rogers of Colo., Schwabe, and Cunningham, H. R. 4752, to amend the mineral leasing laws in order to eliminate the waiver of rentals for oil and gas leases, was stricken from the consent calendar (p. 3235).

6. FORESTRY. Passed with amendment S. 2322, prohibiting the manufacture or use of the character "Smokey Bear" (which is used by the Forest Service in the forest-fire prevention campaign) by unauthorized persons (pp. 3236-7).

7. SHEEPHERDERS. Passed without amendment S. 2549, to provide relief for the sheep-raising industry by making special quota visas available to certain alien sheepherders (p. 3240). This bill will now be sent to the President.

8. ADMINISTRATIVE LAW; TRANSPORTATION. Passed without amendment H. R. 5045, to make valid a number of ICC hearings which did not comply strictly with the Administrative Procedure Act (pp. 3240-1).

9. FLOOD CONTROL. Received from this Department a flood-control survey report on the Scioto River watershed, Ohio; to Public Works Committee (H. Doc. 409) (p. 3268).

10. STATE, JUSTICE, COMMERCE, JUDICIARY APPROPRIATION BILL, 1953. In reporting this bill, H. R. 7289 (see Digest 52), the Committee made the following statements:

"The total of the regular annual appropriations carried in the bill for the three Departments and the Federal Judiciary is \$1,069,992,859. The reductions in the budget estimates total \$172,829,450, or a decrease of over 13.9 percent. The amount recommended in the bill is \$84,422,038 below the amount appropriated for fiscal year 1952."

Forest highways. "The committee recommends \$18,000,000 for this item, a reduction of \$3,000,000 in the amount of the budget estimate and a reduction of \$3,000,000 below the amount appropriated for the current fiscal year."

Access roads. "The bill includes \$15,000,000 for the construction of access roads, a reduction of \$15,000,000 in the amount of the budget estimates and an increase of \$13,500,000 over the amount appropriated for the current fiscal year. Of the \$15,000,000 recommended, \$10,000,000 is for liquidation of obligations incurred pursuant to the contract authority granted by the Act of October 16, 1951."

SENATE

11. TRANSPORTATION. Passed without amendment S. 2748, authorizing Canadian vessels to transport iron ore between U. S. ports on the Great Lakes during 1952 (pp. 3221, 3223).

12. DEFENSE PRODUCTION. Sen. Schooppe suggested that all defense-production controls be permitted to expire in view of the circumstances surrounding the resignation of Mr. Charles Wilson. Sen. Humphrey objected to Sen. Schooppe's argument. (pp. 3225-6.)

13. APPROPRIATION PROCEDURE. Sen. Ferguson spoke in favor of a resolution adopted by the Republican Conference favoring a single-package appropriation bill, more adequate congressional-review staffs, and improved budget procedures (pp. 3226-7).

"SEC. 2. The analysis of chapter 33 immediately preceding section 701 of title 18 is amended by adding at the end thereof:

" 'SEC. 711. "Smokey Bear" character or name.'

"SEC. 3. The Secretary of Agriculture shall deposit into a special account to be available for furthering the Nation-wide forest-fire-prevention campaign all fees collected under regulations promulgated by him relating to 'Smokey Bear' under the provisions of section 711 of title 18."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The proceedings by which the bill H. R. 5790 was passed were vacated and that bill laid on the table.

PAYMENT OF PERIODIC PAY INCREASES FOR TEMPORARY INDEFINITE EMPLOYEES

The Clerk called the next bill (H. R. 6154) to authorize and validate payments of periodic pay increases for temporary indefinite employees of the Department of the Navy within the period of March 17, 1947, to July 1, 1948.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent to substitute the bill S. 2266, an identical bill.

The SPEAKER. Is there objection? There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That (a) all persons who were awarded administrative pay increases as temporary indefinite ungraded employees of the Department of the Navy within the period March 17, 1947, to July 1, 1948, through administrative error, are hereby relieved of all liability to repay to the United States the amounts of such unauthorized pay increases.

(b) The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the persons described in subsection (a) such amounts as have been paid by them, or deducted from their salaries, on account of overpayments of compensation occasioned by such unauthorized pay increases.

(c) All disbursing officers, or other responsible officers, who made or authorized the pay increases to the persons described in subsection (a) are relieved of all liability for any such overpayments and their accounts shall be credited with the amounts erroneously overpaid.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 6154) was laid on the table.

ECONOMICAL PRODUCTION FROM SEA OR OTHER SALINE WATERS

The Clerk called the next bill (H. R. 6578) to provide for research into and demonstration of practical means for the economical production, from sea or other saline waters, of water suitable for agricultural, industrial, municipal, and other beneficial consumptive uses, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

AUTHORITY TO LEASE QUARTERS FOR POST-OFFICE PURPOSES

The Clerk called the next bill (H. R. 6839) to modify and extend the authority of the Postmaster General to lease quarters for post-office purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MURRAY of Tennessee. Mr. Speaker, there has been a rule granted on this bill and I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. MURRAY]?

There was no objection.

AMENDING SECTION 2113 OF TITLE 18 OF THE UNITED STATES CODE

The Clerk called the next bill (S. 1212) to amend section 2113 of title 18 of the United States Code.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That subsection (g) of section 2113 of title 18 of the United States Code is amended to read as follows:

"(g) As used in this section, the term 'savings and loan association' means any Federal savings and loan association and any 'insured institution' as defined in section 401 of the National Housing Act, as amended."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT TO SECTION 5192 OF THE REVISED STATUTES

The Clerk called the next bill (H. R. 160) to amend section 5192 of the Revised Statutes, with respect to the reserves of certain national banks.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BYRNES. Mr. Speaker, reserving the right to object, I wonder if somebody present can advise why there are no departmental reports included with the committee report on this legislation. I notice not only on this bill but on a number of bills on this calendar from the Committee on Banking and Currency that departmental reports have not been filed. It is almost impossible for members of the objectors' committee to properly go over this legislation without a full and complete report from the committee, which includes departmental reports, if there are such, or an explanation why there is no departmental report included in the committee report.

Mr. SPENCE. We have never put departmental reports in the committee report. The Treasury and Federal Reserve Board are not opposed to this bill.

Mr. BYRNES. I believe the gentleman must be familiar with certain requests of the objectors which were contained in a

letter to the Speaker on April 2 of last year and also a copy of which was sent to all committee chairmen. This letter called attention to the desire of the objectors that the departmental reports be included in the committee report for use in studying the legislation.

I ask unanimous consent that this bill go over without prejudice.

The SPEAKER. Is there objection?

Mr. SPENCE. Mr. Speaker, this bill was passed by the House last Congress. It involves a direction by law to require the banks in Alaska to retain a certain amount of their reserves in their tills in order to meet the necessities of everyday banking. Such banks are required to maintain a reserve of 15 percent. Forty percent of that fifteen percent is required to be retained in the tills. This bill would reduce that amount to 20 percent. When the original requirement was made Alaska was remote and somewhat inaccessible. Now by reason of improved means of transportation it is not necessary to require that much as a reserve in cash in the banks to meet the everyday needs. There is no objection to this bill. The Treasury Department has said it would not object if it was left entirely to the discretion of the banks.

Mr. BYRNES. Will the gentleman answer this question: Has the Treasury Department filed a report with your committee on this bill?

Mr. SPENCE. Yes; it has, and it favors it.

Mr. BYRNES. Is it a favorable report?

Mr. SPENCE. Yes; it is a favorable report.

Mr. BYRNES. What about the Federal Reserve?

Mr. SPENCE. They have filed a report. Both reports are favorable. We can submit them to the committee.

Mr. BYRNES. Since there are departmental reports and they are favorable, I will withdraw my request that the bill go over; but I would like, Mr. Speaker, to serve notice on the chairman that the objectors' committee still has the rule that departmental reports be printed with the committee report.

Mr. SPENCE. We shall be very glad to have that done in the future. We have them; they are available, and they are accessible to the committee if they want to investigate them.

Mr. BYRNES. It is the gentleman's committee that is putting these matters on the Consent Calendar; I am not.

I yield to the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. I may say to the gentleman that I agree with the official objectors generally it might be advisable to have departmental reports. I have been on the Committee on Banking and Currency now for almost 20 years and we have deliberated on this problem repeatedly, and we have come to the conclusion that the Congress of the United States has a duty distinct and apart from the executive department; that we are competent to judge from the hearings and evaluate the testimony to determine whether a bill is desirable or not desirable.

During the Eightieth Congress we established the very definite practice of not asking departments for opinions. Because of my 10 years on the Consent Calendar I came to the conclusion that the departmental opinions made a part of the report were used repeatedly to determine only whether the administration might be for or against a particular bill; and it was done by a simple paragraph or sentence at the end of each of the letters in which it said that this bill either is or is not in conformity with the financial program of the President.

For 10 years I tried repeatedly to determine on each of these bills as it came up what the financial program of the President in that respect might be. I never got a satisfactory answer. I dare say that the official objectors now find it as difficult to determine the President's financial program as it applies to any particular bill, as their predecessors did. That is the reason why, in keeping with the independence of the Congress, an integrated part of this Federal establishment, we have not seen fit to ask the departments for reports as is done frequently in matters of claims and so forth, which probably is justified. But the testimony is always taken and the committee has an opportunity to discuss the merits of the bill with the heads of the departments as was done in this case. We feel that Congress might better use its own judgment than to rely on some subaltern in some department.

Mr. BYRNES. I can understand the reason behind the gentleman's position. However, he must recognize that this is not the regular course. What we are doing here is considering bills on the Consent Calendar. I agree with the gentleman that we should not be bound in our regular course of letting the departments determine the course of legislation. But when bills receive such cursory study as must be the case when they are considered on the Consent Calendar, I think all the information we can get is absolutely necessary.

We have a lot of confidence in the judgment of the gentleman from Michigan. If he would submit in the committee report a statement of his position on the legislation, I would consider that information more valuable than a departmental report.

Mr. WOLCOTT. My opinion might be even more biased than that of the department. I do not think because of the cursory nature of the consideration of these bills that the official objectors should make up their opinions upon the statement of some subaltern down in a department.

Mr. BYRNES. That is not necessarily done.

Mr. WOLCOTT. If that is part of the report then, of course, much greater weight is given to that part of the report than to the hearings. For that reason, I think it overbalances the position if we should report out a bill, as is frequently done, which does not meet with administration approval. For instance, there is a controversy between the Federal Reserve and the Treasury. I think we will have to settle that. If we leave it to the President to settle I dare say

he would say it was not in keeping with the financial program of the President.

Mr. BYRNES. Mr. Speaker, I understand the gentleman's position and I agree with him to a certain extent. I do want to add that the committee has determined upon a policy and until the committee changes that policy I think we should stick with it regardless of what the gentleman says.

Mr. WOLCOTT. The Committee on Banking and Currency has adopted a policy of not submitting these things to the departments. We have the departments come up and talk to us.

Mr. CUNNINGHAM. Mr. Speaker, further reserving the right to object, I would like to say to the gentleman from Michigan that the objectors on the Consent Calendar committee have to be guided solely by the reports of the committee that considers bills as to whether or not it recommends favorable action or not. If this is not so we should abolish the objectors.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 5192 of the Revised Statutes of the United States, as amended (12 U. S. C. 144), is hereby amended to read as follows:

"Sec. 5192. Four-fifths of the reserve of 15 percent which a national bank located in Alaska or in a dependency or insular possession or any part of the United States outside of the continental United States, and not a member of the Federal Reserve System, is required to keep, may consist of balances due such bank from associations approved by the Comptroller of the Currency and located in any one of the central reserve or reserve cities as now or hereafter defined by law or designated by the Board of Governors of the Federal Reserve System."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT TO SECTION 5136 OF THE REVISED STATUTES

The Clerk called the bill (S. 2085) to further amend section 5136 of the Revised Statutes, as amended, with respect to underwriting and dealing in securities issued by the Central Bank for Cooperatives.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, I would like to ask the chairman of the Committee on Banking and Currency whether the committee has any statement from the department in reference to this legislation?

Mr. SPENCE. Yes, we have. The department is in favor of this legislation. I will say to the gentleman that all of these bills were reported unanimously by the committee. The committee is not averse to any rules the House may make in the future and we are perfectly willing to file reports of the agencies and departments affected by the legislation.

Mr. FORD. May I ask the Chairman of the Committee on Banking and Cur-

rency whether favorable reports from the departments affected have been received by the committee on the other bills which the Committee on Banking and Currency has put on the Consent Calendar?

Mr. SPENCE. On all of them. They were unanimously reported by the committee.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the last sentence of paragraph seventh of section 5136 of the Revised Statutes, as amended (12 U. S. C. 24), is hereby amended by inserting "or the Central Bank for Cooperatives" after the word "Development"; by inserting "either of said banks" in lieu of the words "said bank"; by inserting "at any one time" after the words "no association shall"; by deleting "at any one time" after the word "exceeding"; and by inserting ", with respect to each issuer," after the word "amount"; so that said sentence shall read as follows: "The limitations and restriction herein contained as to dealing in and underwriting investment securities shall not apply to obligations issued by the International Bank for Reconstruction and Development or the Central Bank for Cooperatives which are at the time eligible for purchase by a national bank for its own account: Provided, That no association shall at any one time hold obligations issued by either of said banks as a result of underwriting, dealing, or purchasing for its own account (and for this purpose obligations as to which it is under commitment shall be deemed to be held by it) in a total amount, with respect to each issuer, exceeding 10 percent of its capital stock actually paid in and unimpaired and 10 percent of its unimpaired surplus fund."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INVESTMENT OF FUNDS OF FEDERAL CREDIT UNIONS

The Clerk called the bill (H. R. 2608) to amend the Federal Credit Union Act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (d) of section 7 of the Federal Credit Union Act, as amended (12 U. S. C. 1757), be amended to read as follows: "or in shares or accounts of Federal savings and loan associations and in shares or accounts of any State chartered institution, the accounts of which are insured by the Federal Savings and Loan Insurance Corporation."

With the following committee amendments:

Page 1, line 3, strike out "subsection (d)" and insert "paragraph 7 (d)."

Page 1, line 7, strike out "State chartered" and insert "other."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING TITLE IV OF THE NATIONAL HOUSING ACT, AS AMENDED

The Clerk called the bill (H. R. 3177) to amend title IV of the National Housing Act, as amended.



Public Law 305 - 82d Congress
Chapter 169 - 2d Session
S. 2085

AN ACT

To further amend section 5136 of the Revised Statutes, as amended, with respect to underwriting and dealing in securities issued by the Central Bank for Cooperatives.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the last sentence of paragraph seventh of section 5136 of the Revised Statutes, as amended (12 U. S. C. 24), is hereby amended by inserting "or the Central Bank for Cooperatives" after the word "Development"; by inserting "either of said banks" in lieu of the words "said bank"; by inserting "at any one time" after the words "no association shall"; by deleting "at any one time" after the word "exceeding"; and by inserting ", with respect to each issuer," after the word "amount"; so that said sentence shall read as follows: "The limitations and restrictions herein contained as to dealing in and underwriting investment securities shall not apply to obligations issued by the International Bank for Reconstruction and Development or the Central Bank for Cooperatives which are at the time eligible for purchase by a national bank for its own account: *Provided*, That no association shall at any one time hold obligations issued by either of said banks as a result of underwriting, dealing, or purchasing for its own account (and for this purpose obligations as to which it is under commitment shall be deemed to be held by it) in a total amount, with respect to each issuer, exceeding 10 per centum of its capital stock actually paid in and unimpaired and 10 per centum of its unimpaired surplus fund."

Approved April 9, 1952.

Central Bank
for Cooperatives.
Investment
securities.
66 Stat. 49.
66 Stat. 50.

